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SUBJECT: STRATEGIC ECONOMIC DIALOGUE (SED): MINISTRY OF
FINANCE DISCUSSES U/S TIM ADAMS' OCTOBER 25-27 VISIT AND
AGENDA FOR UPCOMING DECEMBER SED MEETING

¶1. (SBU) Summary: On October 17 Ministry of Finance (MOF) DG of International Affairs Zhu Guangyao discussed arrangements for the Strategic Economic Dialogue (SED) and the upcoming preparatory trip by Treasury U/S Adams, DUSTR Bhatia, and Commerce U/S Lavin with Econmincouns, Finatt, FCS Trade Facilitation Office Director, and econoff. The October 26 opening preparatory discussions on SED will be chaired by MOF Vice Minister Li Yong, with DG-level or higher participation from other ministries. MOF Minister Jin Renqing will chair the concluding discussions on SED preparations on October 27.
End Summary.

-- MOF: Proposed Schedule for U/S Tim Adams, SED Preparatory Meetings

¶2. (SBU) Zhu proposed that the October 26 opening preparatory discussions on SED will be chaired by MOF Vice Minister Li Yong, with DG-level or higher participation from other ministries. The October 27 concluding discussions on the SED will be chaired by MOF Minister Jin Renqing. Zhu proposed the following schedule for the Adams-Bhatia-Lavin visit:

-- October 26

9:00 - 10:30 AM: General Meeting on SED
 Chaired by MOF Vice Minister Li Yong

11:00 AM) 12:00: Meeting with NDRC Vice Minister Chen
Deming

Lunch: PBOC (Finatt will follow-up)

PM: Meeting with MFA Vice Minister Yang
Jiechi
(MFA Minister Li Zhaoxing drop-by)

Meeting with MOH Vice Minister Wang Longde

Meeting with MOFCOM Vice Minister Ma
Xiuhong

-- October 27

AM or early PM Meetings that could not be arranged

afternoon of October 26.

3:30) 4:30 PM Concluding Meeting on SED
Chaired by MOF Minister Jin Renqing.

-- MOF: No Meeting with Wu Yi, State Council, s Xu Xiaoling

13. (SBU) Zhu stated that neither Vice Premier Wu Yi nor Xu Xiaoling, the Deputy Secretary-General of the State Council, will be available to meet with Adams-Bhatia-Lavin during the October 25-27 visit. Although Zhu could not guarantee that all the Vice Ministers of participating ministries would be present for the preparatory discussions on the SED, he guaranteed DG-level or higher level participation from participating ministries.

-- Proposals for Structure of the SED

14. (SBU) On the agenda, Zhu repeatedly emphasized that the seven themes enunciated by Vice Premier Wu Yi in her meeting with Secretary Paulson were meant as issues to cover over the long-term. For the first round of the SED, Zhu stressed that the Chinese side wanted to focus on &China,s Development Road and China,s Development Strategy.⁸ Zhu said the themes Secretary Paulson had suggested in his call with Wu (investment, job creation through market access, energy and environmental cooperation) could be included in this topic.

15. (SBU) Finatt told Zhu that the active engagement of President Hu and Premier Wen is very important to the United States. Zhu reiterated what Vice Premier Wu Yi told Secretary Paulson, that as long as Hu and Wen are in Beijing

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at the time of the SED, the Vice Premier will do her utmost

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to arrange meetings.

16. (SBU) Zhu proposed a notional schedule for SED:

Monday, December 4

Location: Great Hall of the People

9:00) 11:30 AM: Ministerial retreat (ministers only)

Co-chaired by Vice Minister Wu Yi and
Secretary Paulson

12:00) 2:00 PM: Informal, non-working lunch, with chance
for ministers to meet their counterparts

2:00) 4:30 PM: Formal plenary with all ministers, with
both sides giving prepared policy statements

6:30 PM - : Formal dinner hosted by Vice Premier Wu Yi

Tuesday, December 5

Location: Great Hall of the People

9:00 AM: Follow-up meeting

17. (SBU) Zhu requested that the Adams delegation provide details on the proposed agenda and the structure of the dialogue, and in particular what we envisioned for ministers during the afternoon of Tuesday, December 5. Finatt said the United States was still considering how to structure the Tuesday afternoon sessions, which might include breaking up into smaller groups. Finatt said the United States was also considering what types of press events and documents it would like to have.

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